

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

Caption in Compliance with D.N.J. LBR 9004-2(c)

GOLDMAN & BESLOW, LLC
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Attorneys for Debtor(s), George and Dian Franic
David G. Beslow, Esq. #DGB-5300

In Re:

**GEORGE L. FRANIC and DIAN
SUSAN FRANIC,**

Debtors

Case No. 22-11421

Chapter: 13

Hearing Date: February 13, 2025
at 10:00 a.m.

Hon. John K. Sherwood

**DEBTORS' CERTIFICATION IN SUPPORT OF MOTION
FOR APPROVAL OF POST-PETITION FINANCING – REVERSE MORTGAGE**

GEORGE L. FRANIC and DIAN SUSAN FRANIC hereby certify that:

1. We are the debtors in this Chapter 13 proceeding and we are fully familiar with the facts and circumstances of this matter.

2. We filed our Chapter 13 petition for relief on February 23, 2022. Our original Chapter 13 plan was filed on March 23, 2022 (Doc 12) and was confirmed by Order (Doc 23) entered on July 29, 2022. Our Modified Chapter 13 Plan (Doc 45) was filed on October 29, 2024 and is pending confirmation by this Court. Our Modified Chapter 13 Plan provides for, among other things, a refinance of the mortgage on our residence located at 23 6th Avenue, Clifton, NJ (the "Property") with the payment of no less than \$24,829.00 to unsecured creditors holding valid and timely-filed claims.

3. We have applied for approval of a reverse mortgage from South River Mortgage,

LLC (“Lender”) and have received a Good Faith Estimate (“GFE”) of the proposed reverse mortgage terms.

4. A copy of the GFE is attached hereto as Exhibit A. According to the GFE, the Property has been valued at \$353,000.00. The initial reverse mortgage loan amount is \$175,000.00 and the initial interest rate is 9.39%. Estimated origination and settlement charges total \$27,252.90.

5. We understand that as a result of the reverse mortgage, Lender will be granted a security interest in the Property. We will continue to be responsible for ongoing property tax and home insurance payments.

6. The proceeds of the reverse mortgage loan will be used to pay off the existing liens on the Property, including the liens set forth in our proposed Modified Chapter 13 plan under Section 4(g) as secured claims to be paid in full under the plan. Specifically, the secured liens to be paid include: (i) Phoenix Funding Corp. on account of a certain tax lien, (ii) the City of Clifton Tax Collector for any outstanding water/sewer and property taxes, and (iii) Discover Bank on account of a judgment lien, J-021912-2021.

7. We understand that as part of the reverse mortgage approval process, Lender, or its settlement agent, has contacted the Tax Collector for the City of Clifton and requested an updated lien payment statement.

8. According to the GFE, the Lender anticipates that \$116,699.00 of the loan proceeds will be used towards lien payoffs and to pay the base to general unsecured creditors.

9. The remaining proceeds, which are estimated to be \$32,693.10, will be paid to us. As per Schedule C (Doc 11) filed on March 21, 2022, we have asserted exemptions of up to \$50,300.00 and \$2,650.00 under 11 U.S.C. §§522(d)(1) and (d)(5).

10. We request that the reverse mortgage financing be approved. The loan will allow us to payoff the secured liens on the Property as well as the required base under our Chapter 13 plan. The loan will also provide us with some cash reserves which we can use to pay for some household expenses. The reverse mortgage will also allow us to retain our home and continue to live in it for the remainder of our lives.

11. We understand that our attorneys will file an interim fee application including the approval of attorneys' fees in connection with this motion which will be paid through the plan.

12. In addition, we respectfully request that the 14 day stay under Federal Rule of Bankruptcy Procedure 6004 be waived so that the financing can be finalized in an expeditious manner after Court approval.

WE HEREBY CERTIFY that the above foregoing statements made by us are true to the best of our knowledge, information, and belief. We are aware that if any of the foregoing statements made by us are willfully false, we are subject to punishment.

DATED: January 22, 2025

/sGeorge Franic
GEORGE FRANIC

DATED: January 22, 2025

/s/Susan Franic
DIAN FRANIC